

Meeting of the Retirement Plan for CTA Employees
Board of Trustees
July 28, 2022
VIA MICROSOFT TEAMS

Regular Session
Meeting Minutes

The Board of Trustees of the Retirement Plan for Chicago Transit Authority Employees, by way of Microsoft Teams and telephone conference calls, and in compliance with the Illinois COVID-19 Executive Order, a meeting convened on July 28, 2022. The meeting commenced at 9:34 a.m. and adjourned at 10:58 a.m.

At the direction of the Chairman, a roll call was taken and established that the following Trustees were participating.

Mr. Tom McKone, Chairman
Mr. Keith Hill, Vice-Chairman
Ms. Toi Bowers
Mr. John Burkard
Mr. Tiant Gatewood (for Woodrow Eiland)
Mr. Mark Weems (for Eric Dixon)
Mr. Jeremy Fine
Ms. April Morgan
Ms. Theresa Fletcher-Brown
Mr. Andrew Fuller

Also present were:

Mr. Paul Sidrys
Interim Executive Director

Ms. Rachel Bossard
General Counsel

Mr. Ron Willis
Representing ATU 241 Union Trustee

Mr. Dan Salemi
Representing the RTA appointed Trustee

Mr. Jeff Bora
Representing the CTA Trustees

Ms. Anita Tanay
Representing the ATU 308 Union Trustee

Mr. Kweku Obed
Representing Marquette Associates

Consideration of Minutes from prior Meetings

After calling the meeting to order Mr. McKone asked if a quorum was present. Mr. Sidrys did a roll call and reported that a quorum was present.

Mr. McKone called for consideration of the minutes of the June 23, 2022, meeting. Ms. Morgan made a motion to approve the minutes which motion was seconded by Mr. Burkard. A roll call vote was taken. The motion passed on a vote of nine yeases and two abstentions, namely Mr. Weems and Mr. Fuller.

Investment Committee

Mr. McKone called for the report of the Investment Committee which was given by Mr. Obed. He reported that at the close of business on July 27, 2022, the market value of the portfolio was \$1,935,194,605.51, and of that amount \$14,096,798.30 was in cash. Mr. Obed commented upon general market conditions. After Mr. Obed's review of overall capital markets, he commented upon the Plan portfolio.

Old Business

A report was given by Rachel Bossard regarding the Summary of Litigation. She advised the Trustees that Judge Walker had recused himself from the Williams case. His successor, Judge Horan, entered an order vacating all of the substantive motions that were granted or ruled upon by Judge Walker, which means that all of these major motions need to be reviewed by Judge Horan and ruled upon. Judge Horan set the matter for further status report on September 7, 2022. Judge Horan is also directing the parties to pursue settlement discussions and to meet via Zoom to do so. The deadline for the parties to meet to discuss settlement is August 23, 2022. It is anticipated that the Plan will receive a written settlement demand from the Plaintiffs prior to that time.

The next item under Old Business was an update on the Segal Operations Review. Mr. Sidrys responded that the review is essentially people, process and technology. Mr. Sidrys added that the contract has been signed, initiated and that there has occurred a kick-off meeting with Segal. The first phase of Segal's work is basically information gathering and developing an understanding of the Plan's operations. To start the process, Segal is coming to the Plan's office on the second and third week in August to observe, collect additional information, and to interview staff. The input from the Trustees is solicited. Mr. Sidrys added that he has asked Segal to prioritize the staffing issue because there is a recognition of a staffing shortage.

The Chairman then directed the Trustee's attention to the implementation of items from the most recent Collective Bargaining Agreement. Anita Tanay made a report that the bargaining parties that 241, 308 and the CTA had agreed upon language that incorporated the changes that were collectively bargained. She stated that the bargaining parties had agreed upon the changes and that Mr. Burke believed that the changes should be incorporated into this Plan Agreement.

Mr. Willis stated that the changes came about as a result of responding to questions that Mr. Burke had raised in regard to the Collective Bargaining Agreement.

Jeff Bora stated that he had an opportunity to review the documents. He did not provide any input on the language, nor did he have any issues with the language.

Mr. Weems made a motion to accept the language as read in the memorandum emailed out yesterday. Mr. Hill seconded the motion. There was then a roll call vote to adopt the amendments to the Retirement Plan incorporating the Collective Bargaining Agreement changes. Mr. Weems' motion was seconded by Mr. Hill. The motion passed on a vote of 11 yeases and zero nos.

Under Old Business Mr. Weems questioned if there was going to be a report in regard to the search for a permanent Executive Director. Mr. McKone stated that the topic would be discussed under New Business on the agenda.

Before moving on, the Chairman stated in response to the question posed by Mr. Sidrys that he would like to hold off responding to the treatment of contributions from individuals to the Plan who subsequently withdrew from participation in the Plan but who were desirous of again participating in the Plan. He stated that he would like to hold off addressing that topic. The issue is how to treat the prior contributions which remain in the Plan.

Mr. McKone stated that he would defer that issue while waiting for more information but that he encouraged people who do not have existing contributions of record with the Plan that they should proceed to go through the process of participating in the Plan to which Mr. Sidrys agreed.

General Administration

Mr. Weems gave the report of the General Administration Committee in the absence of Mr. Dixon. Mr. Weems elicited a motion to accept items 6a through 6j, on the agenda. The motion was made by Mr. Burke, and seconded by Mr. Hill. A roll call vote was taken. The motion passed on a vote of 11 yeases and zero nos. Mr. Weems stated that there were no educational conference requests pending.

New Business

There were two items for discussion. The first is the Executive Director position. Mr. McKone directed the Trustee's attention to the description of the Executive Director's position which had been slightly modified by counsel for both the Retirement Plan and the Healthcare Trust. Mr.

McKone asked the Trustees to give comments by August 5, 2022 to the job descriptions which had been distributed. The topic will be on the August agenda for the Board.

The next item for consideration is the date of the September Trustee's Board meeting. The Chairman stated that he had received a request to move the date to September 29, 2022. A decision on that movement of date will be on the agenda for the August 2022 meeting.

Mr. McKone stated that there was a need for an Executive Session to discuss litigation and personnel matters. Mr. McKone made a motion to adjourn to an Executive Session which was seconded by Ms. Morgan. A roll call vote was taken, the motion passed on a vote of 11 yeses and zero nos. At 10:44 a.m. the meeting adjourned to Executive Session.

At 10:56 a.m. the meeting resumed Regular Session at the conclusion of the Executive Session.

Mr. McKone stated that in the Executive Session there was on-going litigation and personnel issues discussed. There was no action taken at that time. Mr. Weems made a motion to adjourn which was seconded by Ms. Morgan. A roll call vote was taken. The motion passed on a unanimous vote.

The meeting adjourned at 10:58 a.m.